



# SB 3

## REVISE WORKERS' COMP IMPAIRMENT LEVEL FOR VOCATIONAL REHABILITATION BENEFITS

**SPONSOR: SEN. TOM FACEY SD 50**

BY REQUEST OF THE ECONOMIC AFFAIRS INTERIM COMMITTEE  
WITH SUPPORT FROM THE LABOR MANAGEMENT ADVISORY COUNCIL (LMAC)

### BUSINESS & LABOR

EXHIBIT NO. 2  
DATE 1-12-15  
BILL NO. SB 3  
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## SUMMARY OF CHANGES

This bill amends 39-71-1006, MCA.

Page 1 – Section 1 – amends 39-71-1006(1)(a)(ii) and (1)(b) to reflect the change in impairment from 15% to 10% for eligibility for rehabilitation benefits.

## OVERVIEW OF LMAC POSITION

Currently a worker with a 15% whole person impairment rating and no wage loss is eligible for rehabilitation benefits if a vocational rehabilitation provider certifies the worker will have a reasonable increase in wages and a rehabilitation plan is agreed upon between the worker and insurer.

This bill reduces the whole person impairment rating required from 15% to 10% for an injured worker to access vocational rehabilitation services and benefits under the Workers' Compensation Act.

An impairment rating is a medical determination that measures the injured workers' permanent loss of bodily function resulting from the injury. It is a medical determination and must be based on the 6th Edition of the American Medical Association's Guide to Permanent Impairment.

This proposal was discussed by the Labor Management Advisory Council on Workers' Compensation and was unanimously supported by the members. The LMAC presented the proposal to the Economic Affairs Interim Committee and the Committee voted to sponsor the bill.

LMAC proposed this change because the National Council of Compensation Insurers (NCCI) conducted a study of the effect on impairment ratings moving from the 5th Edition of the Guides to the 6th Edition and reported the average impairment rating decreased by approximately 28%.

This proposal allows injured workers with a lower impairment rating based on the 6th Edition to access the same services and benefits that injured workers received based on the 5th Edition.

NCCI has priced this proposal and reported that any increase on the overall Montana system costs would be negligible, and any potential cost impact would be reflected in subsequent experience and reflected in future Montana loss cost filing.



Montana Department of  
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